

**U.S. DEPARTMENT OF AGRICULTURE  
WASHINGTON, D.C. 20250**

# DEPARTMENTAL REGULATION

Number:  
4060-001

**SUBJECT:**  
Professional Liability Insurance Partial  
Premium Reimbursement Program

**DATE:**  
February 7, 2002

**OPI:**  
Human Resources Management

## 1 PURPOSE

This regulation describes Department policy on reimbursing employees for the cost of professional liability insurance and provides the guidelines within which Mission Areas will authorize reimbursement to employees for payment of the cost of professional liability insurance.

## 2 SPECIAL INSTRUCTIONS

This Departmental Regulation replaces Departmental Regulation 4060-1 dated May 30, 1997. It concerns employee benefits and budget planning.

## 3 AUTHORITY

This regulation is issued pursuant to Section 636 of the Treasury, Postal Service and General Appropriations Act, 1996, contained in Pub. L. No. 104-208 and Pub. L. No. 106-58, Title IV, Section 642(a).

## 4 COVERAGE

This regulation covers the following categories of employees:

a Law enforcement officers as defined in 5 U.S.C. 8331(20) or 8401(17) and 22 U.S.C. 4823.

b Supervisors or management officials as defined in 5 U.S.C. 7103(a)(10) and (11).

## 5 GENERAL ADMINISTRATION

Mission Areas shall offer reimbursement to all employees occupying positions which the Mission Area identifies as meeting the above definition(s).

At a minimum, Mission Areas must be consistent in the administration of the Program, provide for communication with eligible employees and their managers and supervisors, and take into consideration the following elements:

- a Responsible official(s). Mission Areas will identify the officials responsible for implementation and operation of the Program.
- b Eligible employees. Mission Areas shall identify the employees covered by the Program as set out in the applicable statutory provisions. Employees who separate from an agency, or the Federal government, are not eligible for reimbursement after they leave employment.
- c Reimbursement. Reimbursement will be 50 percent of the annual cost of professional liability insurance, the limitation imposed by Section 636 of Pub. L. No. 104-208. Beginning January 1, 2002, employees must submit requests for reimbursement as soon as possible after completing payment, but no later than the end of the calendar year following the year in which the cost for professional liability insurance was incurred.
- d Retroactive reimbursement. Employees who have not submitted claims for reimbursement since October 1, 1996, the effective date of the legislation, must do so no later than March 31, 2002. Employees who submit claims after March 31, 2002, for reimbursement of insurance purchased more than 2 years prior to that date will not be eligible for reimbursement.
- e Notification of availability. Mission Areas shall notify eligible employees of the availability of the reimbursement.
- f Obtaining reimbursement. Mission Areas will inform employees of the procedures for obtaining reimbursement, including any documentation required as proof of coverage by professional liability insurance.
- g Appeals. Mission Areas will establish procedures whereby an employee may appeal a denial of reimbursement. Mission areas may use established grievance procedures as the mechanism for appealing the denial of reimbursement.
- h. Effective date. The changes in this amendment to the Departmental Regulation on Professional Liability Insurance Partial Premium Reimbursement

Program are effective upon the issuance of this amendment and are prospective only, not retroactive.

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